

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION

RESOLUTION NO. W-4455

January 22, 2004

**R E S O L U T I O N**

**(RES. W-4455), STIRLING BLUFFS CORPORATION (SBC).  
ORDER AUTHORIZING LIABILITY CHARGES FOR USING  
WATER WITHOUT APPLICATION, NO CHARGES OR  
PENALTIES ON ACCOUNT OF NON-PAYMENT OF CHARGES  
BY A PREVIOUS TENANT, AND THE CHARGE FOR PAYMENT  
COLLECTION BY UTILITY REPRESENTATIVES IN LIEU OF  
SERVICE DISCONNECTION.**

---

**SUMMARY**

By Advice Letter No. 41, filed on November 17, 2003, SBC requests to add Paragraphs D. and E. to Rule No. 3 pertaining to liability charges for using water without application, no charges or penalties on account of non-payment of charges by a previous tenant. This advice letter also requests to add Paragraph E. to Rule No. 11 which establishes a collection charge of \$20.00 when a SBC representative collects payment at the billing address, when a customer wishes to avoid discontinuance of service.

This resolution authorizes these modifications and adopts this charge.

**BACKGROUND**

SBC is a wholly-owned subsidiary of Del Oro Water Company (DOWC)<sup>1</sup>. SBC is revising its tariff schedules to bring them into parallel compliance with DOWC's tariffs. DOWC was authorized to add these rules by Resolution No. W-4433,

---

<sup>1</sup> DOWC is a Class B water company serving water to Country Estates, Ferndale, Johnson Park, Lime Saddle, Magalia, and Paradise Pines Districts.

dated October 30, 2003. In Rule No. 3, Application for Service, SBC has added, Paragraph D., Use of Water Without Application for Service Having Been Made, and Paragraph E, Service to a Tenant. In Rule No. 11, Discontinuance and Restoration of Service, SBC also requests to add Paragraph E, Collection Charge.

## **DISCUSSION**

SBC requests a change to Rule No. 3, Application for Service, by adding Paragraph D., Use of Water Without Application for Service Having Been Made, and Paragraph E., Service to a Tenant. These revisions will result in a reduction of bad debt write-offs.

SBC does not have a current collection charge imposed when a SBC representative collects the payment in lieu of shutting off services. It is reasonable to charge \$20.00 for payment collection by a utility representative in lieu of service disconnection considering the current average hourly wage of \$25.78 for field personnel excluding supervisors, and not including the office staff time and truck time.

Also, the Division believes that the imposition of this charge will recover all or part of the additional cost from the customers who cause the additional costs. These charges should be booked as other utility revenues to benefit the ratepayers.

## **NOTICE**

Notice of Advice Letter No. 41 was made by publication in the Commission's Daily Calendar. SBC states that a copy of the advice letter was mailed and distributed in accordance with Section III-G of General Order 96-A. No protests or responses were received.

## **FINDINGS**

1. The provisions to add Use of Water Without Application for Service Having Been Made and Service to a Tenant to Rule No. 3, Application for Service, are just and reasonable.

January 22, 2004

2. A collection charge of \$20.00 is just and reasonable when a SBC's representative collects the payments in lieu of shutting off the service.
3. This is an uncontested matter subject to the public notice comment exclusion provided in the Public Utilities Code Section 311(g)(3).

**THEREFORE IT IS ORDERED THAT:**

1. Stirling Bluffs Corporation is authorized to make effective Rule No. 3, Application for Service, and Rule No. 11, Discontinuance and Restoration of Service, as filed in Advice Letter No. 41, five days after the effective date herein and concurrently to cancel the presently effected tariff sheets.
2. This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on January 22, 2004; the following Commissioners voting favorably thereon:

---

WILLIAM AHERN  
Executive Director

MICHAEL R. PEEVEY  
President

CARL W. WOOD  
LORETTA M. LYNCH  
GEOFFREY F. BROWN  
SUSAN P. KENNEDY  
Commissioners